OFFICE OF THE GOVERNOR STATE OF MONTANA

EXHIBIT NO. 3

DATE 1-12-07

BILL NO. 28 152

JOHN BOHLINGER

Lt. GOVERNOR

BRIAN SCHWEITZER GOVERNOR

Testimony on behalf of Governor Brian Schweitzer on Senate Bill 152, Governor's Education Funding, including Full-time Kindergarten, before the Senate Education and Cultural Resources Committee, January 12, 2007, 3:00 PM

Mr. Chairman and members of the committee, for the record, my name is Jan Lombardi, and I am Governor Brian Schweitzer's education policy advisor. Education is truly a priority for this administration, as you have heard today from Lieutenant Governor John Bohlinger.

It is my pleasure to be here this morning on behalf of Governor Schweitzer to talk to you about the Governor's school funding bill. First, thanks to Senator Don Ryan for sponsoring Senate Bill 152 -- it looks like history may have a chance to repeat itself. SB152 will continue Montana on our journey to ensure we adequately invest in our kids, schools and teachers, based on local control.

SB152 is built on the Governor's Education for Life platform which sustains our strong public education system while preparing for the future. In this bill:

- Parents will have the option of full-day kindergarten so their young children have the best beginning possible.
- Elementary and high school students -- regardless of how rich or poor their neighborhood -- will have an equal opportunity to learn.
- Adults deserve the chance to seek a Montana college education without being limited by the size of their bank account.

Here is a brief overview of the seven educational items contained in this bill:

Full- time Kindergarten (1)

Governor Schweitzer believes the best results come from investing early in education and supports voluntary full-time kindergarten for all children.

House Bill 2 includes funding to schools to offer full-time kindergarten, but does not mandate school boards offer it or require parents to enroll students in kindergarten. The Governor also recognizes that some schools have expressed a concern with start-up costs. The Governor fully supports the concept that some of the funding could be used for startup costs for districts that identified significant barriers to initiating full-time kindergarten.

Other K-12

In addition to full-time Kindergarten, Governor Schweitzer continues to take steps toward fully addressing the needs of our K-12 school system. SB152 also includes: **inflationary increases for the entitlements** (2) and two strategies to help schools recruit and retain quality educators:

Increase the per quality educator component (3)

Quality educators are the backbone of a quality education system. And Montana schools have difficulty attracting and retaining teachers and other licensed professionals needed to meet Montana accreditation standards. This bill provides an increase for each school district to make its own local decision on how to best recruit and retain necessary staff.

Establish a quality educator loan forgiveness program (4)

Although all schools have their challenges with finding and hiring quality educators, some of smallest and most rural schools have the greatest difficulty. This bill creates a one-million dollar loan forgiveness program to further help Montana schools in critical geographic and subject shortage areas. This program eliminates college loan debt up to \$12,000 over four years for serving in a critical shortage area, as defined by the Board of Public Education in consultation with the office of public instruction. We look forward to this loan program providing an incentive to some of our home-grown, high-quality teachers to stay and teach in Montana.

By the way, House Bill 2 contains funds for the Office of Public Instruction to enhance the K-12 Education Data System that was developed with one time only funding in the 2005 legislature. This system will continue to improve data collection practices about K-12 students and include data on educators. The Office of Public Instruction (OPI) and the Office of Commissioner of Higher Education (OCHE) are working together to coordinate data systems that link students' educational opportunities in K-12 with their successes in college and to link teacher preparation programs with success in the K-12 classroom.

School Facility Improvement Account (5)

Kids need high quality educators, and they need good and safe school buildings and classrooms in which to learn, too.

Because we do not have an adequate picture of our school facilities in Montana, the state is conducting a study of K-12 facilities, at the request of the 2005 legislature, whose recommendations will be presented to you in 2009.

SB 152 establishes an account to provide money to schools to implement essential improvements as identified by the study. From this one-time source, \$52 million will be available to help schools with major deferred maintenance, improving energy efficiencies and responding to changes in student populations that result in critical infrastructure needs in the 2011 biennium.

The Governor supports the concept of saving funds for school facilities. By planning ahead, the state of Montana will be better prepared to help schools address their critical facility needs and ensure the provision of a quality education to all students.

Revise the moratorium on new school districts (6)

SB152 recognizes that Montana communities are changing. It supports local control by revising the moratorium on creating new school districts in Montana and proposing a procedure for a community to create a high school district by expansion into a K-12 school district. This bill opens the door for a community to decide what is in the best interest of their local citizens, students and taxpayers. The Big Sky community is interested in this option for several reasons. It is an area of strong economic growth and growing student enrollment. The treacherous conditions that children must travel twice daily on Highway 191 to go to high school is of grave

concern. The Governor would like the community to have an opportunity to decide the K-12 school structure that works best for their students and families.

Revisions to Governor's Postsecondary Scholarship (7)

For those students that borrow, the average loan balance for a Montana University System 4-year graduate is about \$20,000 and \$14,000 for a 2-year graduate. (2004-2005 school year). This is unacceptable.

Governor Schweitzer wants to hold the line on tuition for Montana's university system in the 2007 session and provide more scholarships to students. With his College Affordability Plan (CAP) for a zero percent increase in tuition and a greater investment in scholarships, our most talented will now have the opportunity to attend college in Montana and drive our state's future economic growth.

SB 152 streamlines the Governor's "Best and Brightest" Postsecondary Scholarship to reach more students with merit and need-based scholarships to attend a two-year or 4-year College in Montana. Scholarships are renewable for \$1 - \$2 thousand dollars per year. There is a continued emphasis on careers in high demand areas like health care, technology, or trades. Funding for the Governor's scholarship is in House Bill 2, which means almost 2700 students could be receiving scholarships by end of FY2009.

Thank you to the Montana Student Guaranteed Loan staff for their hard work on setting up the Governor's scholarship program. This bill helps them to deliver the scholarships in a more efficient and effective manner ensuring that the funds are provided to students and not administration.

Conclusion

Montana is no longer competing with just Colorado and Idaho -- but China and India -- for workers and jobs. Simply put, without an educated workforce Montana cannot be a leader in this highly competitive world.

Governor Schweitzer's legislative strategy for the 2009 biennium focuses on building a strong academic future for all Montana's children and building a strong workforce for tomorrow. We know that education matters from the youngest Montanans getting ready for school and having access to full-time kindergarten to adults wanting to afford college. All Montana students need an equal opportunity to be successful from Kindergarten to college.

On behalf of Governor Brian Schweitzer, I ask this committee to pass SB152 to continue our investment in K-12 and higher education and move us closer to the Governor's vision for a world class educational system. Thank you.